IN THE CLAIMS

Please amend claims 1, 8, 12, and 16 as indicated below.

Please add new claims 23-27 as indicated below.

1. (Currently Amended) A method comprising:

encoding a first coefficient value in a first region of a first frame of a motion sequence;

subsequently setting a second coefficient in a second region of a second frame of the motion sequence and in substantially the same position as the first region of the first frame ~~coefficient~~ to be within a predetermined closeness with the value of the first coefficient; and

setting at least a portion of remaining regions other than the second region of the second frames with values different than a corresponding portion of the first frame.

2. (Original) The method defined in Claim 1 wherein the predetermined closeness is within a quantization bin size.

3. (Original) The method defined in Claim 1 wherein the predetermined closeness is within twice a quantization bin size.

4. (Original) The method defined in Claim 1 wherein the second coefficient is set to the same value as the first coefficient.

5. (Original) The method defined in Claim 1 further comprising determining whether quantization is applied to the first coefficient, wherein setting the second coefficient occurs only if the same quantization was applied to the first coefficient.

6. (Original) The method defined in Claim 1 wherein setting the second coefficient to the value near the first coefficient occurs only if the absolute value of a difference between a quantized version of the first coefficient and a result of applying a scalar quantization to the second coefficient is less than a threshold value.

7. (Original) The method defined in Claim 6 wherein the threshold comprises a value equal to twice the quantization step size.

8. (Currently Amended) An article of manufacture comprising at least one recordable media storing executable instructions thereon which, when executed by a processing device, cause the processing device to:

encode a first coefficient value in a first region of a first frame of a motion sequence;

subsequently setting a second coefficient in a second region of a second frame of the motion sequence and in substantially the same position as the first region of the first frame ~~coefficient~~ to be within a predetermined closeness with the value of the first coefficient; and

setting at least a portion of remaining regions other than the second region of the second frames with values different than a corresponding portion of the first frame.

9. (Original) The article of manufacture defined in Claim 8 wherein the predetermined closeness is within a quantization bin size.

10. (Original) The article of manufacture defined in Claim 8 wherein the predetermined closeness is within twice a quantization bin size.

11. (Original) The article of manufacture defined in Claim 8 wherein the second coefficient is set to the same value as the first coefficient.

12. (Currently Amended) An apparatus comprising:

means for encoding a first coefficient value in a first region of a first frame of a motion sequence;

means for subsequently setting a second coefficient in a second region of a second frame of the motion sequence and in substantially the same position as the first region of the first frame ~~coefficient~~ to be within a predetermined closeness with the value of the first coefficient; and

means for setting at least a portion of remaining regions other than the second region of the second frames with values different than a corresponding portion of the first frame.

13. (Original) The apparatus defined in Claim 12 wherein the predetermined closeness is within a quantization bin size.

14. (Original) The apparatus defined in Claim 12 wherein the predetermined closeness is within twice a quantization bin size.

15. (Original) The apparatus defined in Claim 12 wherein the second coefficient is set to the same value as the first coefficient.

16. (Currently Amended) An encoding apparatus comprising:

a wavelet transform;

a quantizer coupled to the wavelet transform, the quantizer comprising:

a first memory to store a threshold value,

a second memory to store quantized versions of coefficients in a plurality of regions of a previous frame of a motion sequence, including a first region, and

quantization logic to set a first coefficient value in second region of a subsequent frame to a value within a predetermined closeness to that of a second coefficient at substantially the same position in the first region of the previous frame, and to set at least a portion of a remaining regions of the subsequent frame to values different than corresponding portion of the previous frame.

17. (Original) The encoding apparatus defined in Claim 16 wherein the quantization logic determines whether quantization is applied to the first coefficient and sets the second coefficient occurs only if quantization was applied to the first coefficient.

18. (Original) The encoding apparatus defined in Claim 16 wherein the quantization logic sets the second coefficient to the value of the first coefficient only if the absolute value of a

difference between a quantized version of the first coefficient and a result of applying a scalar quantization to the second coefficient is less than a threshold value.

19. (Original) The encoding apparatus defined in Claim 16 wherein the threshold comprises a value equal to twice the quantization step size.

20. (Original) The encoding apparatus defined in Claim 16 wherein the predetermined closeness is within a quantization bin size.

21. (Original) The encoding apparatus defined in Claim 16 wherein the predetermined closeness is within twice a quantization bin size.

22. (Original) The encoding apparatus defined in Claim 16 wherein the second coefficient is set to the same value as the first coefficient.

23. (New) The method of claim 1, wherein the first and second frames are consecutive frames.

24. (New) The method of claim 1, wherein there is at least one other frame between the first and second frames of the motion sequence.

25. (New) The method of claim 6, wherein the scalar quantization has a value of Q, and wherein the threshold value is selected as one of $\sqrt{2}Q, 1.5Q, and 2\sqrt{2}Q$.

26. (New) The method of claim 6, wherein the threshold value is determined based on subband information of the motion sequence.

27. (New) The method of claim 6, wherein the threshold value is determined based on a number of frames that include a corresponding region having a coefficient close to the first coefficient of the first frame.